

2013 STATE OF THE CITY ADDRESS

As we begin 2013, I am looking at the future of our great City with a renewed sense of hope and excitement. For the past five years, the nation and our State have been slowly recovering from a sluggish economy that was characterized by slow economic growth, unemployment, declining home values, increasing health care costs, and an aging and more diverse population. However, during the past several months, we have started to see evidence of a more sustained recovery, at least at the City level. In Shoreview, home values are increasing again, and we have seen a significant amount of economic development that has started in the past year. These are all positive indications that our economy is slowly improving.

Before I review some of the highlights of the past year and talk about some of the exciting projects that are planned for 2013, I would like to congratulate and welcome our newest Councilmember Emy Johnson. Emy has officially taken office tonight and brings with her enthusiasm and a love of Shoreview. She has excellent credentials that include corporate experience with her work at Target, government experience with her service on the City's Economic Development Authority, and non-profit foundation experience with her volunteer work with the Shoreview Community Foundation. She is joining Councilmembers Ady Wickstrom who was re-elected to a 5th four-year term and continuing Councilmembers Terry Quigley and Ben Withhart. These Councilmembers all give a tremendous amount of time, energy and talent to make Shoreview one of the premier suburban communities in the Twin Cities metro area.

Economic Development

During 2012, there was a significant amount of economic development activity in Shoreview. In September, a new retail center on Red Fox Road opened. This new retail center includes Chipotle, Leeann Chin and Five Guys restaurants, greatly expanding the number of dining choices in the City. I am also very excited to announce that a Trader Joe's market will be constructed as part of this new retail development located near the Super Target on Lexington Avenue. The City Council and staff have worked diligently for the past several months in an effort to attract Trader Joe's to this site.

In early December, the new Shoreview Senior Living apartment complex located along Hodgson Road just two blocks north of Highway 96 opened. This new 105-unit complex includes independent living, assisted living, and memory care apartments, expanding the types of senior housing available in the City.

The City also continues to work with Tycon Companies on the redevelopment of the Midland Plaza retail center located at the intersection of Victoria Street and Owasso Street. The new development is expected to provide more than 104 upscale market rate apartments, further expanding the housing options. As part of this redevelopment, Owasso Street will be realigned to create an improved, pedestrian friendly County Road E/Victoria Street intersection.

During 2012, the City welcomed Cummins Power Generation who opened their headquarters building in the former Medtronic building located at the northeast corner of Victoria Street and I-694. Two other major Shoreview employers are currently expanding their presence in the City. TSI, Inc., a company specializing in the manufacture of precision air quality measurement instruments, is adding a 58,000 square foot addition to their building and is planning to add up to 180 new employees in the next several years. Similarly, PaR Systems, a high tech robotics company, is currently constructing a 43,000 square foot building which will allow them to accommodate production of large specialty equipment for assisting with nuclear clean up projects such as Fukushima.

The City Council and its Economic Development Authority have worked closely with these companies to help insure that they could accomplish their expansion goals while maintaining and expanding job opportunities in our City.

Community Center, Parks and Trails

The Shoreview Community Center continues to be as exciting and vibrant gathering place for our community now as it was when it opened in 1990. During the past few years, we have continued to add new features such as the Tropical Adventure Indoor Playground and a new light and sound system for our Shark Attack waterslide to attract new families to the Center. We have also continued to update our fitness center equipment and expand our fitness offerings to better serve all residents of the City. The Community Center has a number of different membership options and is very affordable. The Twin Cities Consumer Checkbook recently named the Community Center as a best value in ratings submitted by members of the facility. If your New Year's resolution includes improving health and wellness, I encourage you to take a look at our Community Center and all it has to offer. During 2013, we intend to begin looking at another potential expansion to the Center to further expand our fitness space and explore other improvements to the facility.

The Community Center also is the location of many special events and activities including the weekly Farmers' Market that typically runs Tuesdays from mid-June to mid-October; and our Concert in the Commons Summer Music Series held on Wednesday evenings.

The City is also planning a major park renovation at Bucher Park located in northeast Shoreview in 2013. During the past year, our Parks and Recreation Commission worked closely with a park planning firm and residents of the Bucher Park area to develop an updated Master Plan for the park. The project will be bid this winter and we anticipate an early spring construction start. Major improvements will include a new entry plaza and new playground area, new picnic shelter, as well as an expansion of the trail system in the park.

Our 50 miles of trails and sidewalks continue to be the most used recreation resource in the City. Almost 50% of Shoreview residents indicate that they use the trails on a weekly basis.

Within the next five years, one of my goals is to further expand the trail system along some street corridors in central and southern Shoreview.

Environmental Initiatives

The City is continuing its strong focus on environmental issues. While the City has historically had an emphasis on water quality due to our eleven lakes and numerous wetland areas in the community, in 2013 the City will be actively involved in the Minnesota Green Step Cities Program and the Urban Land Institute's Regional Indicators Program. These programs will review numerous environmental factors in the City including energy and water use. Ultimately, participation in these programs will lead to the City exploring methods to lessen our environmental impact and become more sustainable.

We are also continuing our efforts to combat the emerald ash borer and protect our urban forest. Working with the State Department of Agriculture staff, our staff has identified several more infested ash trees in the Shamrock Park neighborhood in northwest Shoreview. In 2013, the City again plans to offer affordable preventative trunk injections that help protect ash trees. We are also encouraging residents to consider investing in a diversity of trees for their yard. Our 2013 tree sale that is currently underway is an excellent way to obtain trees at wholesale prices.

The Environmental Quality Committee is again offering its Environmental Speaker Series beginning on Wednesday, January 16. Each month from January-April, the EQC will have a different guest speaker talking about a variety of environmental topics.

Financial Condition

The City continues to be in excellent financial condition as evidenced by our AAA bond rating from Standards & Poors. This is the highest rating available and was achieved as a result of our long-term financial planning efforts, sound financial policies and practices, low debt levels, strong income levels of Shoreview residents, and continued expansion of our commercial/industrial tax base.

The City Council is also very proud that we have maintained our rating as one of the most cost effective cities in the metropolitan area. During our biennial budget, the City's tax levy went up a total of about 2.9% or less than 1.5% per year. Among similar sized cities, the City's share of property taxes on a median home value of about \$236,000 during 2012 was \$731, which is 24% below the average of \$966. This is in the bottom 20th of 29 cities that are similar to Shoreview. Our per capital spending, based on data from the State Auditor, also ranks in the bottom 20% of comparable cities, nearly 34% below the average.

Conclusion

During my nearly 40 years of involvement with the City, I am more convinced than I ever have been that government, at the local level, has the most significant impact on the quality of life in the City. I take great pride in the fact that 84% of our residents believe the City is headed in the right direction according to our most recent community survey. The City Council and I remain committed to insuring that our government process is open and accessible, and that our residents are well informed. We accomplish this by televising all of the regular meetings of the City Council and Planning Commission, and through other communication vehicles like our improved and expanded ShoreViews newsletter, and our online Access Shoreview that is available on our website after each City Council meeting. During 2013, we anticipate launching an updated website that should not only improve the overall appearance of the site, but also make site navigation much easier.

On behalf of the Council, I would like to thank our many committee and commission volunteers who provide sound recommendations and advice to the City Council, our community organizations such as the Shoreview Community Foundation, Historical Society, Gallery 96 and Northern Lights Variety Band who help build civic pride, and our City staff who are committed to providing high quality public services to our residents.

It is an honor and privilege to serve as Mayor of our great City and I look forward to working with you during 2013. Thanks for listening and Happy New Year.